

Talbot County Economic Development Commission (EDC) Meeting
Talbot County Free Library, 100 West Dover Street, Easton, Maryland 21601
August 6, 2015 Meeting Minutes

Members Present: Chair, Geoff Oxnam; Vice Chair, Haim Loran; Jacqueline Wilson; Peter Dunbar; Ted Bautz; Gerald O'Mara; Walter Chase; Deborah Renshaw; Ron Engle; Paul Makosky; Jerry O'Mara and Scott Beatty

Ex Officio Members Present: Andy Hollis, Jennifer Williams, Cassandra Vanhooser, Shannon Dill, Mike Henry, Terenda Thomas, Timothy Jones and Al Silverstein. **Attendees:** Chuck Callahan, Dirck Bartlett, Scott Warner, Laura Heikes, Tonya Pritchett, Megan Cook, Hugh Grunden and Jean Weisman

Guest Speaker: Chair Geoff Oxnam introduced Kenneth Kozel, President and CEO, University of Maryland Shore Regional Health (UMSRH). Mr. Kozel provided a status of the healthcare system, its impacts at the local, state and national levels and the scope of services provided by the University of Maryland Shore Regional Health System:

- The Medicare Waiver, created in the 1970's, allowed Maryland to create a statewide agency to regulate how healthcare industries are paid. Maryland operates the nations only all-payer hospital rate regulation system, which has provided for high quality at low cost; however, the effectiveness over the last several years has declined as care costs escalated.
- The Affordable Care Act, signed into law and supported by the Supreme Court this year, created a comprehensive health care system. State and federal leaders identified the expanded waiver authority as an opportunity to make all-payer payments benefit Maryland with an additional \$1.6 billion into the healthcare system. The Medicare/Medicaid all-payer system determines requirements for reimbursement of services. The new model focuses on overall per capita expenditures for hospital services and improvements in quality with population health outcomes.
 - Hospitals are now responsible for the health and well-being of the population creating outpatient environments that are less expensive, yet high quality.
 - A focus on care after a patient leaves the hospital expands workforce requirements to ensure follow up appointments, medications and plans for recovery are followed.
 - A patient readmitted to the hospital, within 30 days of release, is no longer eligible for reimbursement costs.
- Shore Regional Health (SRH) operates as a nonprofit; the hospital revenues must support additional services, new buildings and expanding capabilities. A new plan was required to determine the delivery of health care to generate reinvestment back into the community and still thrive as an organization in compliance with new regulations.
- The 5-year Strategic Plan defines goals for the organization, services offered and access to services in the 5-county region and facilities requirements to meet projected demand. If SRH cannot compete, patients will go elsewhere for healthcare.
- SRH has organized to prepare a draft for the Board of Directors with presentation to the communities and final SRH Board approval planned for early 2016. The SRH Strategic Plan will consolidate and integrate the state's new system with a 5-county community vision and answer key questions about essential services. The objective is to create an infrastructure that supports a population health community. Q & A:
- Job Growth: Mr. Kozel responded that he does not see a net increase in job offerings with this new model. He does see a shift where care is provided. Instead of staffing hospitals, communities will be staffed to impact health.
- Status of the Certificate of Need (CON): Mr. Kozel reported SRH still has an active CON filed in the state of Maryland for a replacement hospital in Easton. The state agencies that regulate CON's are aware of SRH's plan, timeline, and the implications of changes in the healthcare system. The agency is working with SRH to ensure the correct size facility will be approved for this region and the time to a file an updated CON by September of next year.
- Individuals' Responsibility for Wellness: Hospitals cannot stop fast food restaurants, liquor stores or drug trade from infiltrating our community; hospitals can be the conduit to better care by screening exams to identify illnesses earlier and providing enough primary care physicians for patients to secure an appointment. Over time, doctors are going to be paid by the outcomes of the patients they treat. The healthcare industries' responsibility is to provide enough primary care physicians in our community, link community resources with the patients' needs and educate our community on wellness.
- Tort Reform: Mr. Kozel reported there is no effort to address Tort Reform at this time. Physicians have to engage in defensive medical practices, in order to protect themselves from medical malpractice lawsuits.
- Recruitment of Primary Care Physicians: Because population health is now the hospital's responsibility, everybody is trying to recruit and retain physicians. When private practices treat their patients and bill for services, the agencies pay much less in Maryland than other states. Physicians are working harder, seeing more patients and not earning as much as they could elsewhere so physicians coming out of med school want employment with hospitals; not their own private practices. Hospitals are not awarded rates for employing physicians. The state is supporting regulatory aspects for nurse practitioners, and their payments, which may ease the demand for physicians. The University Of Maryland School Of Medicine is supplying physicians out of medical school and SRH is offering competitive salaries and attractive benefits.
- Technology: Telemedicine is the use of telecommunication and information technologies in order to provide clinical health care at a distance. It helps eliminate distance barriers and can improve access to medical services that would often not be consistently available in distant rural communities. It is also used to save lives in critical care and emergencies.
- The biggest challenge, in addition to defining what services are going to be offered where and what services will be put in the Regional Medical Center, is answering how patients will get to the facilities. This goes back to the question of what is SRH's scope of responsibility. Part of the responsibility in making sure patients have access to healthcare facilities is solving the transportation issue. <http://umshoreregional.org>

Call to Order: Chair Oxnam called the meeting to order, with a quorum, at 8:50 a.m.

Agenda and Minutes: The EDC Agenda for August 6, 2015 was approved unanimously. The June 4, 2015 EDC draft meeting minutes were approved unanimously.

Correspondence:

- Councilman Ron Engle has been appointed to the EDC as the Representative for the Town of Easton.
- Gerald O'Mara has been reappointed for another 3-year term.

Old Business: The director reported:

- The OED had their Quarterly Meeting with County Council on June 23. The OED provided a status of the work completed for the quarter and a summary of the accomplishments for the approved recommendations of the 2014 Economic Development Strategic Plan by the EDC and the OED. The OED requested direction regarding the 12 remaining recommendations or a discussion of revised work. An opportunity for a planning session with Council to discuss their priorities' and initiatives has been recommended.
- The director proposed the Brownfield Legislation be brought before the new County Council for their review and adoption. A motion was made to bring Brownfields Legislation to the new County Council; motion was approved unanimously.
- OED's tour of Poplar Island on July 1 was very successful. 20 guests attended including Senator Eckardt, Delegate Mautz and several representatives from Department of Natural Resources.
- MEDA Summer Conference took place on July 29 at the World Trade Center with MD DBED Secretary Michael Gill providing a summary of reorganization of economic development functions for the state. Governor Hogan announced the creation of a Department of Commerce.
- Chair Oxnam reported on the role of the commission in communicating the importance of economic development to our community, to address misunderstandings about what economic development is and what it is not. Mr. Oxnam requested members establish a Communications Committee. It was confirmed that the Communications Committee may have members outside of the commission. Mr. Silverstein reported that he would forward names of those in the community who have professional experience in the art of communications. Mr. Jones volunteered to serve on the committee, as did Mr. O'Mara and Ms. Vanhooser.

New Business:

- The director reported the EDC meeting schedule for the next four months with the following: Town of Trappe in September; Oxford in October; St. Michaels in November and back to Easton in December. The OED will work with the towns to identify a venue and invite a guest business to speak.
- The director reported this is Ms. Renshaw's last commission meeting as she is retiring at the end of the month. Jean Weisman, Town Clerk/Manager of St. Michaels will take Ms. Renshaw's place as the representative for the Town of St. Michaels. The EDC thanked Ms. Renshaw for her service on the commission.

Business Environment Committee (BEC) Report: Ted Bautz, Chair reported the committee met on June 23. The county is implementing a few items of interest:

- Shifting from a 1-year trade registration to every 2 years
- Combining the building permit zoning certificate application into one, streamlining the entry process
- Investing in inspection technology and improving professional development of their staff with customer service training
- Modeling the County's customer feedback/survey letter with the Town of Easton's letter used for national accreditation
- The Town of Easton is exploring the elimination of separate plumbing licensing and renewal requirements to adopt those by the state and streamlining the trade process

A discussion followed concerning frustration in the construction community with the county inspectors; complaints of not returning phone calls, not showing up when they say they will and contractors are given a 6-hour window for inspections when most contractors' days begin at 7:00 a.m. Mr. Silverstein reported the Chamber put together a new Construction Professionals Group and submitted a 20-question survey for Ms. Shuler to execute. The County Manager has received Ms. Shuler's completed form and it is under review. Bob Haase has been contracted by the Town of Easton as an inspector.

Marketing Committee (MC) Report: Haim Loran, Chair reported the project of contacting 1600 materials and testing labs has concluded; and:

- The project was not supported
- It took an unreasonably long time (approximately two years) to send out he mailings
- The follow-up phone calls were not made in a timely professional manner
- Therefore, it is not known how many positive replies we would have received had the project been properly supported

Chair's Report: the Chair had no further report.

Director's Report: Hard copy of director's report was provided to members for review.

Town & Member Reports:

Mike Henry, Easton Airport: the Aviation Administration published the Economic Impact of Maryland's 36 Airports and reports Easton Airport's total jobs are up 33% and business revenue doubled from \$21 million to \$42 million since the last report was published in 2012. Mr. Henry mentioned Trident Aircraft is a large part of Easton's growth.

Scott Beatty, Business Community: No additional report.

Haim Loran, Vice Chair: No additional report.

Councilwoman Jennifer Williams, Liaison to County Council: No report.

Walter Chase, Town of Trappe: the Trappe Family Restaurant, owned by Dave and Dawn Stanley has opened on Main Street.

Deborah Renshaw, Town of St. Michaels: busy with tourists extending their visits into the week; Bed & Breakfasts are filled every weekend and more boat traffic is coming into the harbor.

- The Community Center received a grant from Department of Housing and Community Development (DHCD) to purchase the building they are currently occupying.
- The Comprehensive Plan updates are complete and forwarded to the Maryland Department of Planning and Talbot County Council for review. Comments are due back August 14 with adoption planned for September.
- The commissioners granted the preliminary growth allocations for the expansion of the Inn at Perry Cabin and the written decision will come out on August 12. The Inn is expecting to break ground in the spring of 2016.
- The Bank of America building is occupied with an ice cream shop and antique co-op; 2 vacant buildings are available.

Ron Engle, Town of Easton: No report

Peter Dunbar, Town of Oxford: reported Oxford has entered into an agreement to purchase the Mews. The commissioners will make a determination on the ordinance for authorization to purchase the Mews property at their next meeting.

Ted Bautz, Commercial Real Estate: commented, in terms of the marketing discussion and suggested interest from 1 out of 1600 labs in relocating to Talbot County is good. The broader requirements that the commission might want to think about is a) what is the marketing position of Talbot County; b) how do we fund the project; c) what is the message; and, d) whom do we want to reach. The commission needs to focus on marketing and how it impacts the County's budget process to ensure there is a commitment for funding these activities.

Tim Jones, Chesapeake College: the summer session is wrapping up. The Health Professions & Athletics Center (HPAC) building is complete and staff has relocated from Easton Hospital. Ribbon Cutting Wednesday, August 19

Jacqueline Wilson, Business Community: No report.

Laura Heikes, Talbot Bank: No report.

Shannon Dill, UM AG & Natural Resources: No report.

Cassandra Vanhooser, Office of Tourism: No report.

Scott Warner, Mid Shore Regional Council: No report.

Gerald O'Mara, Agriculture: high yields expected from crops and good chance corn will need to be stored all over the county. Through efforts of Farm Bureau and Talbot County Office of Tourism, Plein Air artists used the farms in our community this year as their subjects including his farm. Mr. O'Mara met with Lucie Hughes, VP for Institutional Affairs, Chesapeake College to discuss curriculum for the agricultural community and toured the Gannon Farm.

Upcoming commission meetings: **September 3, October 1, November 5 and December 3. Locations will be provided,** as the commission will be traveling to the towns.

Airport Day is September 26; Next Poplar Island Tour September 24.

Meeting adjourned at 9:45 a.m.